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To:

18 March 1957

From:

Dear Mike:

25X1A

I am sorry that I have not written you before this time, but I am sure you will appreciate that things have been rather hectic around here for the past few weeks and I have been kept pretty busy making final preparations for [REDACTED] group. I have a number of things on which I want to bring you up to date, and I will discuss them in turn.

25X1A

I am forwarding some information for [REDACTED] in connection with their group insurance coverage and credit union status. I have addressed a memorandum to each of them in the enclosed envelopes explaining what is required. I will appreciate it if you will follow up with them and make certain that the matters are taken care of as soon as possible.

25X1A

In connection with your wire, 7 March, (Message 3384) I have checked on [REDACTED] Credit Union withholding for the pay period ending 15 February and find that they inadvertently deducted only \$5.00 instead of the usual \$50.00 for this period. Although the accounting department is willing to correct the deduction and take the full amount for this period retroactively, I have instructed them to let the \$5.00 deduction stand but to be certain to deduct the full \$50.00 in all subsequent pay periods. If [REDACTED] wants the \$45.00 which they failed to deduct taken out of any future pay, please let me know, and I will have this done. If I don't hear differently I will let the situation stand as it is.

25X1A

I have also taken action to change the number of tax exemptions for you from 3 to 1 per your instructions. The accounting department was instructed to do this on my personal word. However, to back this up it will be necessary to have your signature on a Form W-4 for their records. I have enclosed a Form W-4 for you to sign. Please date and sign in the space provided and return the form to me at once.

25X1A

[REDACTED] arrived in good shape and is spending this week here. I haven't had a chance to talk with him yet, as I was out when he reported in Monday and he will be on a field trip until Friday.

In your letter of 27 January, you indicated that Frank wanted to have his income tax deduction stopped, if possible. I have checked this out with Accounting and Personnel and find that this cannot be done. It is a legal requirement that employers withhold Federal income taxes on all employees with the amount determined by gross earnings and number of claimed exemptions. There is, however, a certain

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amount of latitude allowed in claiming exemptions so as to have a greater or lesser amount of tax withheld. For further information on this see the reverse side of the Form W-4 "Employee Withholding Exemption Certificate". I will explain this to Frank when I see him. However, since others of you are also probably interested, I thought I had better let you know what I have been able to find out.

25X1A

I am enclosing Performance Review Forms for [REDACTED]. Please rate the 2 people concerned, discuss the ratings with them and sign the forms in the lower left hand corner on the line marked "Department Head". I would like to have these back as soon as possible.

25X1A

In his letter of 4 February, [REDACTED] requested that we enter the payroll period date on the revised check stub as well as the employee's name. I am having this done now and assume that everybody is happy.

Bill also raised a question regarding eligibility of employees for per diem payment when on duty at the plant when home on stateside leave. Our position on this, based on general company policy, and Section 6 of the Employee Agreement, is that an employee is entitled to per diem and/or other expense allowances only when he is traveling or on duty away from the plant. Section 6 of the Employee Agreement bears out this thinking in that it specifies "Subsistence will be furnished to the employee when away from the factory.....". Accordingly, we will only pay per diem and/or provide subsistence during 1 week tour of in-plant duty if the employee is sent out on a field trip away from the plant during this period. It will not be paid for time spent in-plant. This ruling seems logical based on all factors involved. However, if you think it is inequitable or if there is anything we have over-looked in reaching this conclusion, please let me know.

25X1A

In his letter of 1 February, [REDACTED] submitted a travel expense report covering excess baggage charges on his return trip. Since he carried alot of supplies, tools and similar items, this is a legitimate charge; and I have processed a voucher through on it. Please tell Bill that I will deposit the check in his account when received.

I finally got squared away on the \$500.00 expense advance which I obtained for you. With your signed authorization I withdrew this amount from your credit union account and forwarded it to the Accounting Department in payment of the expense advance. A receipt covering this transaction is enclosed for your records.

In one of your recent letters you asked about the possibility of having a party at our expense. In my letter of 18 January, I asked you for further information regarding your plans and an estimate of the cost involved. So far I have heard nothing from you on this. Let us know what you have in mind and perhaps we can work out something on it for you.

I was happy to get the forms which you forwarded for your group settling

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outstanding expense account balances. The forms for [REDACTED] however, came through unsigned and did not indicate the action he wanted taken. Please let me know what he wants done on this as I would like to get it squared away as soon as possible.

25X1A

In your letter of 22 January, you requested that [REDACTED] be paid for the 2 week vacation which he accrued prior to signing the Employee Agreement. I have checked the record and he does have a little more than 2 weeks' vacation accrued. However, it is Company policy to require employees to take vacation time due whenever possible. This, of course, is the basic purpose of a vacation plan. It is intended to provide a period of rest and relaxation for the employee; and where a money payment is made for the vacation this purpose is defeated. For this reason, it is a firm Company policy to pay employees for accrued vacation only in the event of demonstrated financial need. If this need can be substantiated in Bernie's case, we will, of course, be happy to approve the payment. I will leave this decision up to you and will be guided entirely by your recommendation. Please let me know of your decision in this matter, and I will proceed accordingly.

Also in your letter of 22 January, you indicated that the fellows in your group would like to have their in-plant training scheduled for the 1st week they are home on their stateside vacation. We have no objection to this so long as we are advised in advance of when the individual will report to the plant. This is necessary so that we may schedule their time to the best advantage.

25X1A

While on the subject of vacations, I noticed from the vacation schedule for your group submitted in your wire 1 March (Message 3334) that [REDACTED] is scheduled for vacation in April and is to depart on/or about March 25. I think you are aware of the special problem we have concerning Joe's G.I. Educational Benefits. We are trying to work something out on this which will be to Joe's advantage, and his coming back on vacation may have a bearing on our plans. What we are trying to arrange is to have him return on his vacation in July or August and be released from his contract without prejudice, at that time. Although we don't have a final answer on this right now, I would suggest that Joe defer his vacation for at least 60 days, if possible, until we can firm the situation up. This will change your vacation scheduling, but if agreeable to both you and Joe I suggest you do it this way and substitute somebody else in the group for vacation during April. As soon as you know what you want to do on this let me know your plans by wire. (For additional information see bottom of letter).

As to the date of your own vacation there is no particular objection to taking it fairly late in the contract. I suggest that we not make a final decision at this time and wait until August or September and see what the picture looks like then.

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We have had some recent change in our accounting system which changed the method of showing contract charge numbers on Salary Time Charge Records. I have enclosed a sample Salary Time Charge Record, showing the new contract charge number which is to be used in the future for your activity. Please show the number indicated on all time records submitted hereafter. Since you are duplicating this form locally, I am not sending you a complete set of the new forms. However, be sure that the contract charge number on the sample is put on all of your locally reproduced forms. This number is all that is required. There is no necessity for adding a number to designate job classification as we did in the past. Except for this change, all existing instructions on completing Salary Time Charge Records remain unchanged.

I had better wind this up while I can still send it thru the mails. I think I have covered all questions which have come up recently. If there is anything I have missed please let me know.

Give my best regards to all the fellows.

Sincerely,

25X1A



VF:bc

Encl:

25X1A

P.S. I sent you a wire regarding [redacted] vacation today. Since the time was getting so short, I thought that I had better not wait for this letter to get to you before contacting you. You and Joe may be interested in knowing why we suggested that his vacation be deferred. Our feeling is that if Joe can be terminated when he comes back on vacation, this will eliminate the necessity for additional transportation expense and will involve only one trip back and forth rather than two. In view of the transportation costs involved, we feel that everyone will be more agreeable to allowing Joe to terminate without loss of benefits if no extra transportation cost is involved. As indicated in the wire, we expect to have a decision on our proposed method of handling this situation within a week or so. We will let you know the outcome as soon as possible.

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